

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: DSLNET COMMUNICATIONS, LLC	DOCKET NO. TCU-99-12
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ORDER GRANTING APPLICATION AND WAIVER

(Issued June 14, 1999)

On April 19, 1999, DSLnet Communications, LLC (DSLnet), filed an application for issuance of a certificate of public convenience and necessity, pursuant to IOWA CODE § 476.29 (1999). DSLnet intends to provide resold local exchange service. No objections were filed.

IOWA CODE § 476.29(2) (1999) provides that the local exchange carrier shall not be denied a certificate if the Utilities Board (Board) finds that the applicant "possesses the technical, financial, and managerial ability to provide the service it proposes to render and the board finds the service is consistent with public interest." The Board has carefully reviewed DSLnet's application and finds DSLnet has demonstrated that it has the necessary technical, financial, and managerial ability to provide local exchange service. It is in the public interest to grant a certificate to DSLnet. The Board will require DSLnet to file a statement regarding the availability of a 2-PIC methodology for dialing parity.

DSLnet also requested the Board waive the requirements of three of the Board's rules. First, DSLnet sought a waiver of IOWA ADMIN. CODE 199-16.5(2), which requires utilities to maintain accounts pursuant to a modified version of the system of accounts. DSLnet stated it would maintain its books in accordance with

generally accepted accounting rules ("GAAP"). DSLnet also requested the Board grant it a waiver of IOWA ADMIN. CODE 199-18.2 which requires it to maintain its records within the state. In support of its request, DSLnet stated it maintains its records in its offices in Connecticut and pledged its cooperation in making its records available for inspection by the Board. Finally, DSLnet asked the Board to grant it a waiver of the IOWA ADMIN. CODE 199-22.3(1) requirement that it publish a directory.

The Board finds it is reasonable to grant DSLnet's requests for waiver. DSLnet will provide only resold local exchange service at this time. Based on the nature of the local exchange service DSLnet will provide, none of these requirements are appropriate at this time. The Board will be able to adequately review its records if it becomes necessary. Until or unless DSLnet serves a very large number of customers, it is unnecessary for it to publish a separate directory in Iowa.

IT IS THEREFORE ORDERED:

1. The application for a certificate of public convenience and necessity filed by DSLnet on April 19, 1999, is granted, subject to the requirements that follow.
2. At the time DSLnet files tariffs with the Board, it shall file a statement that a 2-PIC methodology for dialing parity is available for all customers.
3. At the time DSLnet files tariffs with the Board, it must give notice to all affected local exchange carriers. Upon approval of tariffs to reflect the prices, terms, and conditions of local exchange service in Iowa offered by DSLnet, upon approval of maps and other documentation which will define the service territory

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where DSLnet desires to serve all eligible customers, and upon approval of DSLnet's statement regarding dialing parity, the Board will issue a certificate of public convenience and necessity allowing DSLnet to provide local exchange service in Iowa.

4. The request for waiver of IOWA ADMIN. CODE 199-16.5(2), 18.2, and 22.3(1) is granted.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

Dated at Des Moines, Iowa, this 14th day of June, 1999.